



JENNIFER M. GRANHOLM  
GOVERNOR

STATE OF MICHIGAN  
OFFICE OF FINANCIAL AND INSURANCE SERVICES  
DEPARTMENT OF LABOR & ECONOMIC GROWTH  
DAVID C. HOLLISTER, DIRECTOR

LINDA A. WATTERS  
COMMISSIONER

## BILL ANALYSIS

**BILL NUMBER:** Senate Bill No. 480 (as passed Senate)  
**TOPIC:** Eliminate Section 10 of Prudent Purchaser Act  
**SPONSOR:** Senator Birkholz  
**CO-SPONSORS:** None  
**COMMITTEE:** House Committee on Health Policy  
**Analysis Done:** October 11, 2005

### POSITION

The Office of Financial and Insurance Services (OFIS) is neutral regarding this legislation.

### PROBLEM/BACKGROUND

This section of the Code has become obsolete, since the report commissioned by this committee was due on January 1, 1986.

### DESCRIPTION OF BILL

Senate Bill 480 would repeal Section 10 of the Prudent Purchaser Act. Section 10 requires the implementation of a joint legislative committee to investigate the degree of competition in the health care coverage market, prescribing the committee's powers, purpose, and make-up. OFIS is unaware of whether this committee was ever established.

### SUMMARY OF ARGUMENTS

#### **Pro**

This legislation is simply a housekeeping item, since the report expected to be generated by this committee was due on January 1, 1986.

#### **Con**

None known.

**FISCAL/ECONOMIC IMPACT**

OFIS has identified the following revenue or budgetary implications in the bill as follows:

(a) To the Office of Financial and Insurance Services: None

Budgetary:  
Revenue:  
Comments:

(b) To the Department of Labor and Economic Growth: None

Budgetary:  
Revenue:  
Comments:

(c) To the State of Michigan: None

Budgetary:  
Revenue:  
Comments:

(d) To Local Governments within this State: None

Comments:

**OTHER STATE DEPARTMENTS**

None

**ANY OTHER PERTINENT INFORMATION**

None

**ADMINISTRATIVE RULES IMPACT**

None



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Linda A. Watters  
Commissioner

10-11-05  
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Date